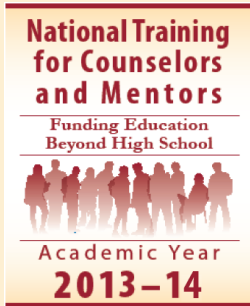


# Middle School Parents



## Middle School Parents

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## Workshop Topics

- Definition of financial aid
- College costs
- Expected family contribution, or EFC
- Financial need
- Types of financial aid
- Sources of financial aid

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# Middle School Parents

## Workshop Topics

- Applying for financial aid
- Federal financial aid programs
- *FAFSA4caster*
- Financial aid options
- Resources
- Next steps

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## Definition of Financial Aid

Any money from outside of the family that pays postsecondary (college) expenses

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## College Costs

- College can be expensive, but worth the cost
  - A sound investment in your child's future
- Costs include more than just tuition
  - room and board, books, transportation, personal expenses, etc.

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# Middle School Parents

## College Costs

- Costs vary by type of college
  - Community colleges are less expensive than four-year schools
  - Private colleges are more expensive than public colleges
- Look at costs over a child's entire postsecondary education
  - Four to six years total

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## Expected Family Contribution (EFC)

- Amount family can reasonably be expected to contribute but not what family will pay to the college
- EFC remains the same regardless of college the student attends

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## Expected Family Contribution (EFC)

- Calculated using a federal form and formula
- Two components
  - Parent contribution
  - Student contribution

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## Definition of Financial Need

- Difference between college costs and EFC
- Will vary by college
- Amount of financial need determines the aid a student will receive

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## Types of Financial Aid

- Scholarships
- Grants
- Loans
- Employment

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## Types of Financial Aid – Scholarships

- Awarded on the basis of merit or unique characteristic
- Don't have to be paid back

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# Middle School Parents

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## Types of Financial Aid – Grants

- Awarded on the basis of financial need
- Don't have to be paid back

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## Types of Financial Aid – Loans

- Considered self-help aid
- Must be paid back, usually after the student finishes school
- Many different types
- Student loans are a reasonable form of aid
  - Borrow only amount needed
  - Consider federal loans before private loans

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## Types of Financial Aid – Employment

- Self-help aid
- Earnings used to cover college expenses
- Ideally related to student's field of study

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## Sources of Financial Aid

- Federal government
- States
- Colleges
- Private sources

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## Sources of Financial Aid – Federal Government

- Largest source of financial aid
- Awarded mainly on the basis of financial need
- Apply every year using standard form

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## Sources of Financial Aid – States

- Offer both merit-based and need-based aid
- Usually have residency requirements
- May have service requirements
- May have loan repayment programs

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## Sources of Financial Aid – Colleges

- Varies widely from college to college
- Offer both merit-based and need-based aid
- May be offered as part of the admissions process

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## Sources of Financial Aid – Private Sources

- Churches, civic organizations, employers
- Varying award amounts and application procedures
- Small awards add up

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## Application for Financial Aid

- Complete a standard federal form every year
- *Free Application for Federal Student Aid*, or FAFSA
  - Collects demographic and financial information
  - Data used to calculate the EFC

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## Application for Financial Aid

- Information from the FAFSA may also be used by states, colleges, and private sources to award aid
- Ask colleges if any other forms are required

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## Federal Financial Aid Programs – Federal Grant Programs

- Federal Pell Grant
- Teacher Education Assistance for College and Higher Education (TEACH) Grant
- Federal Supplemental Educational Opportunity Grant, or FSEOG

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## Federal Financial Aid Programs – Federal Loan Programs

- Federal Perkins Loan
  - Campus-Based Aid
- Federal Direct Student Loans (Subsidized & Unsubsidized)
  - Subsidized and unsubsidized
  - Borrowed by students
- PLUS Loans
  - Borrowed by parents and graduate students

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## Federal Financial Aid Programs – Federal Employment Programs

### Federal Work-Study

- Provides part-time jobs for students with financial need, allowing them to earn money to help pay education expenses

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## *FAFSA4caster*

- On-line tool developed by U.S. Department of Education to help families prepare financially for college
- Estimates eligibility for a Federal Pell Grant
- Allows you to include non-federal aid
- Available at [www.fafsa4caster.ed.gov](http://www.fafsa4caster.ed.gov)

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## Financial Aid

- Begin early
- Find scholarships that match your child's academic interests, hobbies, and unique characteristics
- Don't pay for scholarship searches
- Be wary of promised results
- Report fraud

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## Next Steps

- Begin researching financial aid options
- Start saving
- Encourage your child to take college prep classes
- Encourage your child to participate in extracurricular activities
- Help your child develop strong study skills

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## Resources

- *My Future, My Way: How to Go, How to Pay* available at [www.studentaid.ed.gov/resources](http://www.studentaid.ed.gov/resources)
- *College Preparation Checklist*, available at [www.studentaid.ed.gov/resources](http://www.studentaid.ed.gov/resources)
- *Saving Early = Saving Smart* available at [www.studentaid.ed.gov/resources](http://www.studentaid.ed.gov/resources)
- On-line version of NASFAA's *Cash for College* available at [www.nasfaa.org/AnnualPubs/cashforcollege.pdf](http://www.nasfaa.org/AnnualPubs/cashforcollege.pdf)

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## Questions



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# Middle School Parents



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